

Households experiencing housing instability are increasing

Approximately 80% of homeless are singles and 20% are families

For every public dollar invested in supportive housing, there is a \$1.44 return on investment

Outcomes for Current Enrollees of Metro Demo Program*	
Average Years in Metro Demo program	6.6
Avg. Total Applicant Income in First Month	\$436.00
Avg. Total Applicant Income in Latest Month	\$680.25
Avg. Monthly Applicant Income Change Between First and Latest Months	\$244.25
Percent Change in Avg. Monthly Income Between First and Latest Months	56%



Supportive Housing for Families Operating Funding (HF 780)

*Using date range represented in visualization (Dec 2008 -Dec 2020)

Problem

We urgently need to create additional long-term housing for individuals and families experiencing homelessness. In a recent analysis, the metro area counties identified 848 households (families and single adults) who were unhoused and qualify for metro demo. Many experiencing homelessness, also have challenges such as mental health and substance abuse. Combining housing assistance with services has a proven track record of improved outcomes.

Supportive housing is the most cost-effective and dignified long-term solution to homelessness.

and Ramsey counties. The demo provides a proven model for how Housing Support can work for people, especially those experiencing long-term homelessness.

Background

Supportive Housing

Supportive housing is housing combined with services. It is the most dignified and cost-effective way to give people the support they need to achieve stability in their lives. According to Wilder Research in 2014, supportive housing provides a return of investment of \$1.44 for every public dollar invested.

The Metro Demo

In 1995 the legislature created the "Metro Demo" project inside Housing Support, a Department of Human Services Disability Program. The Metro Demo is a successful, that can adequately provide for people. The demo is currently capped at 226 units for Anoka, Dakota, Hennepin,

Solution

To meet the urgent need for supportive housing, we are asking that the Minnesota Legislature expand the metro demo by 274 units and add Carver, Scott, and Washington counties to the program. Expanding the metro demo program would create immediate operating funding for new supportive housing and reduce more expensive alternatives.

Estimated Costs

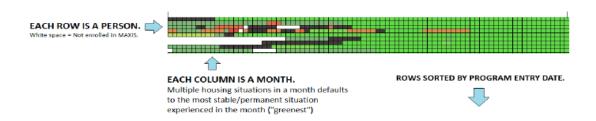
This expansion would be phased in over three years. DHS flexible, program and can provide rent and services support projects that expanding this program by 274 units will cost an estimated \$3M over 3 years.

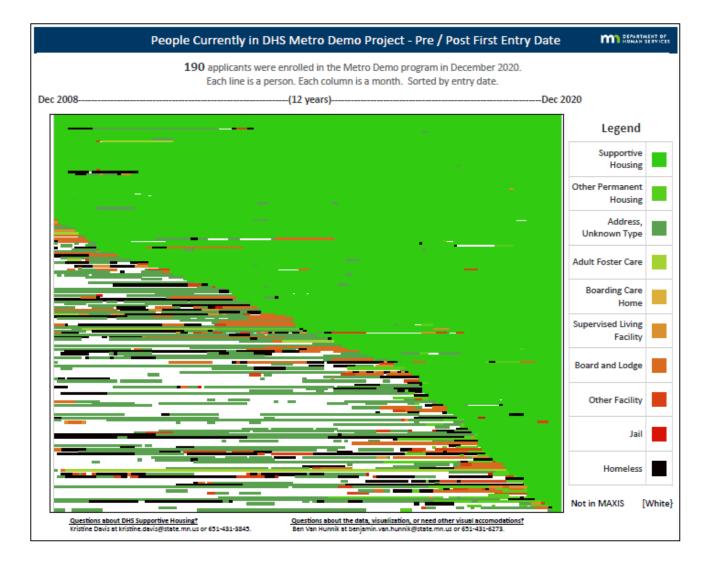
Outcomes and Effectiveness

Effectiveness: As can be seen from the table below, once people are enrolled in the Metro Demo Project, they remain in stable housing (supportive housing) compared to before entered the project. More expensive costs such as jail, hospital, and emergency shelter/hotel stays are reduced.

ENROLLED NOW

Cohort represents people enrolled in the Metro Demo program via Housing Support in the most current month. Data is sorted by entry date into the program.





HF 780

Problem:

- We need long-term housing for people experiencing homelessness.
- There are not enough units of supportive housing to meet the increasing need because of too little public funding.

Supportive Housing

- Supportive housing is housing with services located in the building.
- It is the most dignified and effective way to give people the support they need to achieve stability in their lives.
- According to Wilder Research, in 2014, for every public dollar invested in supportive housing, there is a \$1.44 return on investment.

Metro Demo

- Created in 1995 inside Housing Support for Anoka, Dakota, Hennepin and Ramsey counties.
- •It provides rent rates that work for people.
- Provides support services that follow the individual if they obtain other housing assistance; e.g. Section 8 voucher.
- Currently capped at 226 units.

Solution:

To meet the urgent need for supportive housing for families Minnesota should expand the metro demo by **274** units and add **Carver, Scott, and Washington** counties to the program. Expanding the metro demo program would create immediate operating funding for new supportive housing for families.

- Reduces more expensive costs: Jail, hospitals, short-term shelter options
- Demonstrated success with increasing stability and income for participants
- Provides flexible and effective local resources to support people

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Case Study Examples:

Ex #1: A single adult (SSI income - \$794/month) client lives in Adult Foster Care for 10 years prior to the DEMO project. The typical cost of AFC \$300-\$400 per day or \$9,000-\$12,000 per month and is paid for by State/Federal Waiver dollars. They move to the DEMO project, maintain some in home supports through waivered services funding (maybe 4 hours/day of PCAs services at \$1,920/month) and \$241 for demo services and \$733 for rent (client pays \$238 and total rent is fair market \$971). Total monthly program costs \$953 for Demo and \$1,920 for PCA vs the \$9,000-\$12,000 for the AFC. Total savings per month \$6,127-\$9,127. Annually - \$73,524-\$109,524.

Ex #2: A single adult is homeless for most of the last 10 years and has periodic mental health crises. They cycle in and out of camping, to shelter (\$50/day), have contact with law enforcement and spend time in jail (\$151/day in SC), experiences hospitalizations, require the Anoka Regional Treatment Center (\$1300/day), and an Intensive Residential Treatment stay following (\$425/day). As this cycle continues resources are needed from outreach teams, case managers, police officers, treatment centers, hospital ED and inpatient staff, jail employees, corrections staff, etc. Following the Demo project there may still be a need to access mental health facilities and other resources, but it is at a fraction of that during periods of homelessness. As program statistics have shown, these households are also highly likely to increase income while participating.